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AUG 09 1983

July 29, 1983

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
4241 State Office Building
Salt Lake City, Utah 84114

Reference: 1982 Annual Operations and Progress Reports

Dear Sirs:

In accordance with Section 40-8-15 and Rule 8 of the Utah Mined Land Reclamation Act, Plateau Resources Limited herewith submits the Annual Operations and Progress Reports for the following projects:

1. Tony M/Lucky Strike Mine
2. Frank M Mine
3. Shootaring Canyon Processing Facility

ACT/017/001
ACT/017/017
ACT/017/016

*Map in
ACT/017/001*

Also enclosed is an updated map of the Shootaring Canyon Project Area.

The reports and accompanying map are of a proprietary nature, and Plateau requests that the information therein be held as confidential by the Division.

If you have any questions, please call me at (303) 245-5460 or (801) 788-2120.

Sincerely,

Fred W. Gerdeman

Fred W. Gerdeman
Governmental Affairs Supervisor

FWG/ksd

Enc.

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**DIVISION OF
OIL, GAS & MINING**

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES AND ENERGY
DIVISION OF OIL, GAS AND MINING
4241 State Office Building
Salt Lake City, Utah 84114

ANNUAL OPERATIONS AND PROGRESS REPORT

1982

(To be filed for each mining operation at the end of each calendar year.)

OPERATOR:	<u>Plateau Resources Limited</u>	MINE NAME:	<u>Tony M/Lucky Strike</u>
ADDRESS:	<u>772 Horizon Drive</u>	PERMIT #:	<u>ACT/017/001</u>
	<u>Grand Junction, CO 81501</u>	8, 16,	
		Sec. 17, 21	T. 35S R. 11E SLBM
REPRESENTATIVE:	<u>Fred W. Gerdeman</u>	DATE OF APPROVAL:	<u>August 20, 1979</u>

- (1) Section 40-8-15 and Rule M-8 of the Utah Mined Land Reclamation Act, require each operator to include with this report an up-dated map and plan prepared in accordance with Rule M-3, providing a detailed status of all mining and reclamation activities which have occurred during the past year.
- (2) The gross amount of materials moved during the year for this mining operation was: Please see the attachment.

The disposition of each type of material was: Please see the attachment.

(3) Status of reclamation work.*

<u>Month</u>	<u>Number of acres</u>	<u>Type of Work Performed</u>	<u>Results (Revegetation Success)</u>
January		Please see the attachment.	
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			

*The monthly status of reclamation work should include such items as clean-up, regrading, recontouring, soil preparation, seeding, etc., and may be outlined on a separate sheet if necessary.

PLATEAU RESOURCES LIMITED

1982 Tony M/Lucky Strike Annual Progress Report

Mining

The principal effort during 1982 was to extend development drifts and haulageways toward the fringe area of the various ore bodies that comprise the Tony M mine. This development effort produced 17,350 feet of advance drift which extended the total mine development drift system to 15.7 miles.

A trial stoping experiment was also conducted on the east side of the mine to determine the relative effectiveness of the production crew. These data will be used to insure that future production goals are met.

Construction was begun on a 36" wire rope conveyor system that would extend approximately 10,000 feet underground. The system was designed to deliver 200 tons of mined material per hour to the surface. Construction was postponed last August for economic reasons.

On August 13, 1982, the Board of Directors of Plateau Resources Limited adopted a revised operating plan that called for a reduction of the mine operational staff from 126 employees to 81 employees.

Several stockpile areas were releveled to accommodate mined ore from development until economic conditions allow restarting the newly constructed Processing Facility.

A generator-compressor building was erected near the portals to accommodate two 1000 kW Waukesha's for mine electric power and three 1850 cfm positive displacement compressors.

The gross amount of materials moved during the year for this mining operation was 177,720 tons; 88,806 tons were waste and 88,914 tons were ore. The disposition of each type of material was as follows: 53,797 tons of ore were

stockpiled at the mine for future mill feed, and 36,117 tons of ore were shipped to the Processing Facility with 16,109 tons being processed and 20,008 tons stockpiled for future mill feed. Waste material was placed in the dump.

A new gravel pit was opened south of the Processing Facility to obtain road base for access roads and gravel for underground use.

Reclamation

There were several reclamation projects related to the Tony M mine in 1982. These projects are discussed below and the current status of each is provided.

1. Dewatering Pond #2

Surface disturbances related to the construction of the dewatering pond and the mine dewatering system that were reclaimed in 1981 are revegetating and stabilizing as planned. The extensive erosion control measures that were taken in some areas are working very well, and soil loss has been minimized. Erosion control measures included construction of contour furrows and straw sediment traps, and installation of fiberglass retention mats. No additional work is needed on this site, but monitoring will continue.

2. Hydro-Jet Decommissioning

Plans for decommissioning of the equipment storage yard and west leach vat were submitted to the Nuclear Regulatory Commission and were approved in 1982. Decommissioning and decontamination of the Hydro-Jet leaching facility is expected to be completed by September 30, 1983.

3. 1982 Exploration/Assessment Drilling

All drill sites and access roads associated with the 1982 drilling for which no future use was planned were recontoured, stabilized and reseeded. Please refer to the "Mineral Exploration Drill Hole Permanent Abandonment Final Report From MR-9" that Plateau submitted to the Division in January 1983 for further information on this project.

4. Mine Camp Reclamation

Reseeding of the abandoned mine camp area was completed in March 1982, and a temporary irrigation system was installed on part of it. The irrigated area was reseeded again in the fall after it was cultivated, because of the large number of Russian thistle plants growing on the site. This area will be irrigated in 1983.

Riprapping of selected sections of Shitamaring Creek and construction of drop structures in the mine camp area were started in 1982 after the appropriate permits were received. This work will continue in 1983.

5. Test Plots

Transplanted native species on the test plots are established and their survival rate is above 90%. This rate is far better than had been expected. Interestingly, the unirrigated plants are surviving almost as well as those that are receiving water from a drip irrigation system. Seeded plots are not establishing vegetation satisfactorily, and will need to be reseeded in 1983. Irrigation, monitoring, and data collection from the test plots continued throughout 1982 and are scheduled for 1983.

6. Abandoned Gravel Operation

Shortly after the gravel operation was moved to a new site, Plateau reclaimed most of the abandoned area, and the gravel pit operator (an independent contractor) agreed to complete the remaining parts. As a result of erosion caused by an unusually severe thunderstorm, Plateau returned to the site later in the year to repair washed out waterbars and build new ones. This site was reseeded and will be monitored closely until vegetation is established.

7. Other Projects

Several small areas associated with the Tony M mine were stabilized and/or reseeded to control erosion.